



CONGRESSMAN HENRY A. WAXMAN NEWS

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WAXMAN CALLS PRESIDENT REAGAN'S BUDGET CUTS A "THREAT TO THE HEALTH CARE OF MILLIONS"

HEALTH SUBCOMMITTEE CHAIRMAN CHARGES THAT PROPOSALS ARE "SHORT-SIGHTED" AND COULD FUEL HEALTH CARE INFLATION

Congressman Henry A. Waxman, a Democrat from California, and the Chairman of the House Health and Environment Subcommittee, made these comments today in reaction to President Reagan's budget proposals:

"I'm certainly sympathetic with the goal of cutting waste from the federal budget. However, I am alarmed by many of the President's proposed cutbacks in the health care area.

"I'm afraid that President Reagan's new beginning may be the beginning of the end of basic health care for millions of Americans.

"The President's proposal to slash the federal contribution to Medicaid would clearly lead to a loss of health coverage for many medically needy families. With the States forced to carry a larger financial burden, benefits would certainly be cut. I fear that the first benefits to go would be optional Medicaid benefits like preventive health programs for children, and home health programs which provide alternatives to nursing home care. Coverage of outpatient services, physician care and medical devices such as wheelchairs would likely be reduced severely.

"It may have been reassuring for some to hear the President state last night that the programs that help the "disabled, the elderly, all those with true need" are "exempt from any cuts." Unfortunately, the President's claim is simply untrue. The needy are, in fact, jeopardized by his budget slashes.

"I am also deeply troubled by the inflationary impact of some of his proposals. At a time when hospital costs are increasing at a rate higher than inflation, it seems short-sighted to dismantle two programs -- health planning and the Professional Standards Review Organizations -- which have been of some help in limiting health care cost increases. These programs do need to be reviewed, but to discard them before an alternative is even proposed could be a billion dollar mistake.

"I consider the Reagan recommendation that health centers and preventive health programs be consolidated into one massive bloc grant to the states, and that the federal appropriation for these programs be cut 20%, simplistic and irresponsible. Rather than making hard choices on a program by program basis, the Administration is ducking the issue by scrambling more than 35 unrelated health and social services programs into a budgetary blender and then dumping the mixture onto the states. This process would produce the spectacle of these programs, many of which provide vital health services, competing with each other at the state level for a drastically reduced pool of funds."
